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State of Idaho

Legislative Services Office

## Individual Entity Audit Report

A communication to the Joint Finance-Appropriations Committee

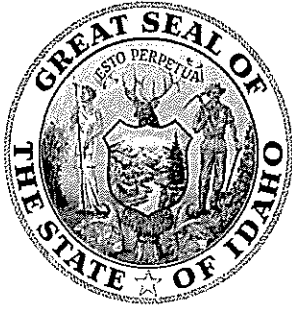
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# SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)

FY 2010

Report OP95510  
Date Issued: April 1, 2011

*Serving Idaho's Citizen Legislature*



Don H. Berg, Manager

Idaho Legislative Services Office  
Legislative Audits Division

## **SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)**

### **SUMMARY**

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#### **PURPOSE OF AUDIT REPORT**

We have audited the financial statements of the South Central Public Health District (V) for the fiscal year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America. The purpose of our audit is to determine whether the District's financial statements are materially accurate and reliable, and that it complied with laws and regulations affecting fiscal operations.

#### **CONCLUSION**

We conclude that District's financial statements are materially accurate and reliable, and fiscal operations materially comply with related laws and regulations. As a result, we issued an unqualified opinion on the District's financial statements.

#### **FINDINGS AND RECOMMENDATIONS**

There are no findings and recommendations in this report or the prior report.

#### **AGENCY RESPONSE**

The District has reviewed the report and is in general agreement with its contents.

#### **OTHER INFORMATION**

We discussed other issues which, if addressed, would improve internal control, compliance, and efficiency.

This report is intended solely for the information and use of the State of Idaho, South Central Public Health District (V), and the District V Board of Health, and is not intended to be used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the director, Rene LeBlanc, and his staff.

#### **ASSIGNED STAFF**

Eugene Sparks, CPA, CGFM, Managing Auditor  
Kathleen Watkins, CPA, In-Charge Auditor  
Liz Yturralde, CPA, CGFM, Staff Auditor  
Eric Bjork, Staff Auditor

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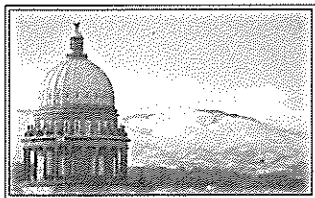
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# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

**Jeff Youtz**  
Director

April 1, 2011

Unqualified Opinion on  
Basic Financial Statements

## Independent Auditor's Report

Rene LeBlanc, Director  
South Central Public Health District (V)  
1020 Washington Street North  
Twin Falls, ID 83301

Marypat Fields, Chair  
District V Board of Health  
Route 1, Box 2085  
Corral, ID 83322

Dear Mr. LeBlanc and Ms. Fields:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the remaining fund information of South Central Public Health District (V), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2, the District prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the cash basis financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, major fund, and the remaining fund information of the District as of June 30, 2010, and the respective changes in cash basis financial position for the year then ended in conformity with the basis of accounting described in Note 2.

As discussed in Notes 2 and 7, the District changed its financial statement presentation from the accrual basis of accounting to the cash basis of accounting in fiscal year 2010.

**Mike Nugent, Manager**  
Research & Legislation

**Cathy Holland-Smith, Manager** 01  
Budget & Policy Analysis

**Don H. Berg, Manager**  
Legislative Audits

**Glenn Harris, Manager**  
Information Technology

In accordance with *Government Auditing Standards*, we have also issued our report dated April 1, 2011, our consideration of the District's internal control over financial reporting, and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered when assessing the results of our audit.

The District has not presented the Management Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The budgetary comparison information on page 13 is not a required part of the basic financial statements, but is supplementary information required to accompany those financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by OMB *Circular A-133*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Sincerely,

A handwritten signature in black ink, appearing to read 'Don H. Berg', with a stylized flourish extending from the end.

Don H. Berg, CGFM, Manager  
Legislative Audits Division

STATE OF IDAHO  
SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)  
STATEMENT OF NET ASSETS - CASH BASIS  
AS OF JUNE 30, 2010

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$2,081,759
Total Assets	<u>\$2,081,759</u>
NET ASSETS	
Unrestricted	\$2,081,759
Total Net Assets	<u>\$2,081,759</u>

The accompanying notes are an integral part of these financial statements.

STATE OF IDAHO  
SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)  
STATEMENT OF ACTIVITIES - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2010

	PROGRAM RECEIPTS			Net (Disbursements)
	Disbursements	Charges for Services	Operating Grants and Contributions	Receipts and Changes in Net Assets
<u>PROGRAMS</u>				
Governmental Activities:				
Administration and General Support	\$1,662,412	\$30,351	\$0	(\$1,632,061)
Family and Children's Health	2,878,146	688,144	2,135,855	(54,147)
Environmental Health	859,723	339,636	179,453	(340,634)
Public Health Promotion and Preparedness	1,589,465	1,210	1,672,875	84,620
Total Governmental Activities	<u>\$6,989,746</u>	<u>\$1,059,341</u>	<u>\$3,988,183</u>	<u>(\$1,942,222)</u>
General Receipts:				
State General Receipts				\$1,122,600
Interest Receipts				41,585
County Receipts				<u>1,011,945</u>
Total General Receipts				<u>\$2,176,130</u>
Increase in Net Assets				<u>\$233,908</u>
Beginning Net Assets (as Restated)				<u>\$1,847,851</u>
Ending Net Assets				<u>\$2,081,759</u>

The accompanying notes are an integral part of these financial statements.

STATE OF IDAHO  
SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)  
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCE  
GOVERNMENTAL FUND  
AS OF JUNE 30, 2010

	Special Revenue Fund
<u>ASSETS</u>	
Cash and Cash Equivalents	\$2,081,759
Total Assets	<u>\$2,081,759</u>
<u>FUND BALANCE</u>	
Unreserved Special Revenue Fund	\$2,081,759
Total Cash Basis Fund Balance	<u><u>\$2,081,759</u></u>

The accompanying notes are an integral part of these financial statements.



STATE OF IDAHO  
SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)  
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND CHANGES  
IN CASH BASIS FUND BALANCE - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	Special Fund 0290	Millennium Fund 0499	Total Governmental Funds
RECEIPTS			
Health and Professional Services	\$1,059,341	\$33,688	\$1,093,029
Interest/Income on Investments	41,585	0	41,585
Federal Grants	3,759,731	0	3,759,731
State Grants	68,028	0	68,028
Other Grants	126,736	0	126,736
City/County Grants	1,011,945	0	1,011,945
General Fund Support	1,122,600	0	1,122,600
Total Receipts	<u>\$7,189,966</u>	<u>\$33,688</u>	<u>\$7,223,654</u>
DISBURSEMENTS			
Administration and General Support	\$1,662,412	\$0	\$1,662,412
Family and Children's Health	2,878,146	0	2,878,146
Environmental Health	859,723	0	859,723
Public Health Promotion and Preparedness	1,555,777	33,688	1,589,465
Total Disbursements	<u>\$6,956,058</u>	<u>\$33,688</u>	<u>\$6,989,746</u>
Excess (Deficiency) Receipts			
Over Disbursements - Net Change in Cash Balance	\$233,908	\$0	\$233,908
Beginning Cash Basis Fund Balance, as Restated	<u>1,847,851</u>	<u>0</u>	<u>1,847,851</u>
Ending Cash Basis Fund Balance	<u><u>\$2,081,759</u></u>	<u><u>\$0</u></u>	<u><u>\$2,081,759</u></u>

The accompanying notes are an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

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## **NOTE 1 – REPORTING ENTITY**

In determining how to define South Central Public Health District (V) (SCPHD) for financial reporting purposes, management has considered all potential component units in accordance with *GASB Statement 14*. The legislature created seven health districts throughout the State in 1970. In 1976, the legislature expressed specific intent that the districts were not to be considered State agencies, but were to be recognized as authorized governmental entities. Although the districts are not State agencies, all districts have opted to process their financial transactions through the State accounting system. SCPHD is governed by a nine-member Board of Health with representation from each county in the District. The acting county commissioners for each county located within the District appoint members as follows: one member each from Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls Counties. The ninth member is an at-large medical consultant approved by the counties.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Beginning in fiscal year 2010, SCPHD elected to change its financial statement presentation from the accrual basis of accounting to cash basis, or an *Other Comprehensive Basis of Accounting* (OCBOA). The cash basis of accounting, while an acceptable basis of accounting under *Statements on Auditing Standards (SAS) 62*, differs from Generally Accepted Accounting Principles (GAAP) widely recognized in the United States. Governmental Accounting Standards Board (GASB) pronouncements have been applied to the extent applicable to the cash basis of accounting. See Note 7 for the effect of the change in accounting principle.

### **A. Government-Wide Financial Statements**

The government-wide financial statements (e.g., the Statement of Net Assets – Cash Basis and the Statement of Activities – Cash Basis) report information on all activities of SCPHD. These activities are financed through General Fund appropriations, county contributions, federal grants, and program receipts.

The Statement of Net Assets – Cash Basis presents SCPHD's cash and cash equivalent balances of the governmental activities at year end. The Statement of Activities – Cash Basis demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those that are clearly identifiable within a specific function. Program receipts include fees and charges paid by recipients for goods or services offered by the program. Appropriations, contributions, interest income, and other items not meeting the definition of program receipts are reported as general receipts. Immaterial differences in the statements are due to rounding.

In the government-wide Statement of Activities – Cash Basis, receipts and disbursements are segregated by activity and then by function. Additionally, receipts are classified as program or general receipts. Program receipts are recognized when cash is received and include receipts for services provided, grants, and contributions. General receipts include General Fund appropriation receipts, county contributions, and interest received.

### **B. Fund Financial Statements**

SCPHD accounts for certain functions or activities in separate funds in order to assist with financial reporting, and to comply with legislative requirements. Fund financial statements are prepared on a cash basis with a focus on major funds. Each major fund is presented in its own column. Non-major funds are presented in a separate, aggregated column.

Functions of SCPHD are financed through governmental funds. SCPHD has one major governmental fund (0290). The Special Revenue Fund accounts for all financial resources of the District, except those required to be accounted for in the Millennium Fund (0499), which has a specific purpose to provide smoking cessation programs to our community. Both funds are included in the budget.

In the governmental fund financial statements, receipts are reported by source and disbursements are reported by function.

#### **C. Basis of Accounting**

The cash basis of accounting is applied in preparing SCPHD's financial statements. Receipts are recorded in the general ledger and reported in the financial statements when cash is received rather than when revenue is earned. Disbursements are recorded in the general ledger and reported in the financial statements when cash is paid rather than when a liability is incurred.

Some assets and related revenues along with some liabilities and related expenses are not recorded in these financial statements. The cash basis of accounting precludes the inclusion of certain accounts and related revenue and expense items in the financial statements. Items not included are accounts receivable, accounts payable, revenue earned but not collected, expenses accrued for goods and services not paid, and accrued liabilities and related expenses. This information is not recorded in the presentation of these financial statements.

#### **D. Assets, Liabilities, And Net Assets**

##### Cash and Cash Equivalents

The State Treasurer is the custodian of SCPHD's cash and cash equivalents. SCPHD's primary governmental fund cash and cash equivalents are considered to be cash on hand and are on deposit with the State Treasurer's Office.

Cash equivalents are reported at book value. Additional disclosure is identified in Note 3.

##### Capital Assets

Acquisitions of property, plant, and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

##### Compensated Absences

SCPHD, as a separate political subdivision, has elected to follow State rules on compensated absences. Upon termination, accrued leave balances such as vacation and overtime are paid as cash payments to employees. Consistent with cash basis accounting, compensated absences earned are not reflected as a liability in the accompanying financial statements.

##### Pension Plan

SCPHD participates in a pension plan, further described in Note 4. SCPHD recognizes the employer contribution to the plan when paid. Note 4 further details employer/employee contributions and benefits of the plan.

##### Fund Balance Restrictions

SCPHD restricts any portion of fund balances which are not available for appropriation or which are legally segregated for specific future use. Unrestricted fund balance indicates that portion of fund balance that is available for appropriation in future periods.

### NOTE 3 – CASH AND CASH EQUIVALENTS

SCPHD participates in the State Treasurer's internal and external investment pools. The IDLE fund is an internal investment pool managed by the State Treasurer's Office on behalf of participants. Money not needed to meet immediate operating obligations is invested in accordance with Idaho Code, Sections 67-1210 and 67-1210A. Participation in the IDLE fund is mandatory.

The District also participates in the Local Government Investment Pool (LGIP) and the Diversified Bond Fund (DBF). Both are external investment pools sponsored by the State Treasurer's Office. In order to earn a higher yield, Idaho governmental entities may voluntarily deposit moneys not needed to meet immediate operating obligations in these pools.

The LGIP is a short-term investment pool. Participants have overnight availability to their funds, up to \$10 million. Withdrawals of more than \$10 million require three business days notification. The LGIP distributes earnings monthly to the participants based on their average daily balance as a percentage of the total pool. Idaho Code restricts the State Treasurer to certain types of investments.

The DBF was created by the State Treasurer's Office for agencies to invest for a longer term and earn potentially greater returns. Withdrawals of \$10 million or less generally require five business days notification prior to the last day of the month. Withdrawals of more than \$10 million require 25 business days notification prior to the last day of the month. The DBF distributes earnings monthly to the participants based on their average daily balance as a percentage of the total pool.

The pools disclose certain risks that may be associated with their deposits and investments. Disclosures are made under each individual pool for the following required risk disclosures:

*Interest rate risk* occurs when investments are fixed for longer periods. The weighted average maturity is 69 days and 3.5 years for the LGIP and DBF, respectively.

*Concentration of credit risk* results when investments are concentrated in one issuer and represents heightened risk of potential loss.

*Credit risk associated with investments* is the risk that an issuer of debt securities or counterparty to an investment transaction will not fulfill its obligation.

*Custodial credit risk* is the risk that in the event of financial institution failure SCPHD's deposits may not be returned. Some of SCPHD's funds may be exposed to custodial credit risk as some funds invested in the IDLE Pool may not be covered by FDIC insurance.

SCPHD has no formal investment policies to mitigate credit risk, interest rate risk, or custodial credit risk.

During fiscal year 2010, the State Treasurer elected to drop the ratings service for the external investment pools and the funds are unrated.

The following schedule represents SCPHD's investments at book value in the external investment pool at June 30, 2010:

<u>Investments at Book Value</u>	<u>June 30, 2010</u>
Local Government Investment Pool	\$452,209
Diversified Bond Fund	<u>1,214,097</u>
Total	<u>\$1,666,306</u>

Additional information including the investment pools' financial statements is provided in the Idaho *Comprehensive Annual Financial Report (CAFR)* and is available from the Office of the State Controller and on their website.

#### **NOTE 4 – PENSION PLAN**

The Public Employee Retirement System of Idaho (PERSI) was created by the Idaho State Legislature and administers the PERSI Base Plan, and the defined contribution retirement plans.

The PERSI Base Plan is a cost-sharing, multiple-employer defined benefit retirement plan, requiring that both the member and the employer contribute. Participation is mandatory for State employees who normally work 20 or more hours a week for five or more consecutive months. The plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. The legislation provides for other political subdivisions to participate by contractual agreement with PERSI.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% (2.3% police/firefighter) of the average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand-alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website [www.persi.idaho.gov](http://www.persi.idaho.gov)

The actuarially determined contribution requirements of SCPHD and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2010, the required contribution rate as a percentage of covered payrolls for members was 6.23% for general members and 7.65% for police/firefighters. The employer rate as a percentage of covered payroll was 10.39% for general members and 10.73% for police/firefighter members. For the years ended June 30, 2008, 2009, and 2010, SCPHD contributions required and paid were \$343,602, \$333,749, and \$322,742, respectively.

The PERSI Choice Plan is a defined contribution retirement plan. The defined contribution plan includes the 401(k) and the 414(k). Statutes governing the PERSI Choice Plan are found in Idaho Code, Title 59, Chapter 13. The 414(k) plan was established for gain-sharing allocations from the PERSI Base Plan. The gain-sharing amount (if any) is based on funding levels in the PERSI Base Plan.

The 401(k) plan is open to all active PERSI Base Plan members. Eligibility for the 414(k) gain sharing requires twelve months of active PERSI membership as defined in Idaho statutes and PERSI rules. The assets of the 401(k) and the 414(k) are commingled for investment and record keeping purposes. The other significant accounting policies are the same as the PERSI Base Plan.

Participants in the 401(k) plan can make tax deferred contributions up to 100% of their gross salary less deductions and subject to the IRS annual contribution limit. Participants direct their own investment mix without restriction and may elect to change their deferral every pay period. For the audit period no voluntary employer matching contributions have been made.

#### **NOTE 5 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

The State funds or partially funds post employment benefits relating to health, disability, and life insurance. Idaho Code, Sections 67-5760 to 67-5767 and 72-1335, establish the benefits and contribution obligations. SCPHD participates in the State of Idaho's post-employment benefit programs. The State administers the retiree health care plan which allows retirees to purchase health care insurance coverage for themselves and eligible dependents. Effective July 1, 2009, legislative changes to the retiree health care plan regarding eligibility stipulate that an officer or employee must be an active employee on or before June 30, 2009, and retire directly from State service. The maximum benefit is \$1,860 per retiree per year. Beginning January 1, 2010, coverage was not available to Medicare-eligible retirees or their Medicare-eligible dependents. These changes have significantly reduced the liability.

The State provides long-term disability income benefits for active employees who become disabled, generally up to a maximum age of 70. SCPHD pays 100% of the costs of the premiums, and the contribution rate for the period was 0.324% of payroll in fiscal year 2010.

The State provides basic life and dependent life coverage for disabled employees, generally up to a maximum age of 70. SCPHD pays 100% of the cost of the premiums, and the contribution rate for fiscal year 2010 was 0.324% of payroll.

For up to 30 months following the date of disability, an employee is entitled to continue healthcare coverage under the State plan. SCPHD pays 100% of SCPHD's share of medical and dental premiums while the employee remains disabled. The employee is required to pay the normal active employee contribution for the plan and rate category in which the employee is enrolled. SCPHD's contribution for the period was \$7.61 per active employee per month in fiscal year 2010.

The State is reporting the liability for the retiree health care and long-term disability benefits. SCPHD made no contributions towards the liability during fiscal year 2010. Specific details of these OPEB are available in the statewide *CAFR*.

#### **NOTE 6 – OPERATING LEASES**

Operating leases are leases for which SCPHD will not gain title to the asset. They contain various renewal options, as well as some purchase options. Operating lease payments are recorded when paid or incurred. SCPHD's total operating lease disbursements for fiscal year 2010 were \$35,572.

SCPHD has future minimum lease commitments for non-cancelable operating leases, which under the cash basis of accounting are recognized when paid.

**NOTE 7 – CHANGE IN ACCOUNTING PRINCIPLE**

Change of Accounting Principle: The closed beginning trial balance was restated at July 1, 2009 to reflect a change in accounting principle. SCPHD elected to present the financial statements on a cash basis beginning with the fiscal year ended June 30, 2010. Formerly, SCPHD presented full and modified accrual statements in accordance with GAAP. Management of SCPHD has elected the cash basis of accounting requiring restatement of certain beginning balances of accounts listed in the financial statements.

*Government-wide Statements*

Total assets were restated by \$4,168,100, and total liabilities were restated by \$450,465. The net effect of these restatements on the closed beginning balance of net assets for fiscal year 2009 was to decrease net assets by \$3,717,635, from \$5,565,468 to \$1,847,851.

*Fund Financial Statements*

Total assets were restated by \$739,162, and total liabilities were restated by \$224,840. The net effect of these restatements on the closed beginning fund balance for fiscal year 2009 was to decrease the fund balance by \$514,322, from \$2,362,173 to \$1,847,851.

**NOTE 8 – RISK MANAGEMENT**

SCPHD is exposed to various risks of property and casualty losses, and injuries to employees. Accordingly, SCPHD belongs to the State of Idaho Risk Management and Group Insurance internal service funds, available to all State entities. Risk Management provides property and general liability risk coverage for its members. General liability claims are self-insured up to the Idaho Tort Claims Act maximum of \$500,000 for each occurrence; property damage claims up to \$250,000 per occurrence annually; and physical damage to covered vehicles at actual cash value. SCPHD also participates in the Idaho State Insurance Fund, which purchases commercial insurance for claims not self-insured by the above coverage and for other identified risks of loss, including workers' compensation insurance. Details of the Risk Management and Group Insurance coverage can be found in the statewide *CAFR*.

## REQUIRED SUPPLEMENTARY INFORMATION

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STATE OF IDAHO  
SOUTH CENTRAL PUBLIC HEALTH DISTRICT (V)  
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - BUDGET TO ACTUAL  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
RECEIPTS				
State	\$1,249,500	\$1,176,800	\$1,122,600	(\$54,200)
County	1,011,668	1,011,668	1,011,945	277
Contracts	2,955,381	3,765,787	3,988,183	222,396
Fees	1,110,740	1,152,190	1,059,341	(92,849)
Interest	52,219	39,697	41,585	1,888
Reserve	657,000	567,210	0	(567,210)
Total Receipts	<u>\$7,036,508</u>	<u>\$7,713,352</u>	<u>\$7,223,654</u>	<u>(\$489,698)</u>
	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
DISBURSEMENTS				
Personnel Costs	\$4,821,895	\$4,866,701	\$4,612,183	\$254,518
Operating	1,414,614	1,957,272	1,434,867	522,405
Capital Outlay	620,000	661,200	714,097	(52,897)
Trustee Benefits	180,000	228,178	228,599	(421)
Total Disbursements	<u>\$7,036,509</u>	<u>\$7,713,351</u>	<u>\$6,989,746</u>	<u>\$723,605</u>

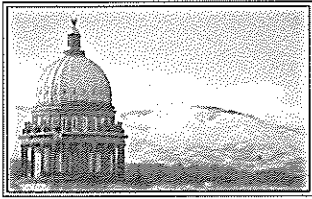
The accompanying notes are an integral part of these financial schedules.

# NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

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## **NOTE 1 – BUDGET COMMITTEE**

The chairmen of the boards of county commissioners located within SCPHD serve as the Budget Committee. The Board submits the budget to the Budget Committee. The budget is prepared on a cash basis. The SCPHD budget is approved by a majority of the Budget Committee. Any adjustments to the budget are approved by the Board of Health.



# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

Jeff Youtz  
Director

April 1, 2011

Independent Auditor's Report on Internal Control over  
Reporting and on Compliance and Other Matters Based  
on an Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards

Rene LeBlanc, Director  
South Central Public Health District (V)  
1020 Washington Street North  
Twin Falls, ID 83301

Marypat Fields, Chair  
District V Board of Health  
Route 1, Box 2085  
Corral, ID 83322

Dear Mr. LeBlanc and Ms. Fields:

We have audited the financial statements of the governmental activities, major fund, and the remaining fund information of South Central Public Health District (V) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated April 1, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Mike Nugent, Manager  
Research & Legislation

Cathy Holland-Smith, Manager  
Budget & Policy Analysis

Don H. Berg, Manager  
Legislative Audits

Glenn Harris, Manager  
Information Technology

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

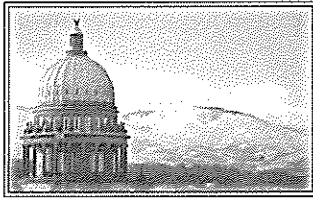
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the State of Idaho, South Central Public Health District (V), and the District V Board of Health and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read 'Don H. Berg', with a stylized flourish extending from the end.

Don H. Berg, CGFM, Manager  
Legislative Audits Division



# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

Jeff Youtz  
Director

April 1, 2011

Independent Auditor's Report on Compliance with  
Requirements Applicable to Each Major Program  
and on Internal Control over Compliance in  
Accordance with OMB Circular A-133

Rene LeBlanc, Director  
South Central Public Health District (V)  
1020 Washington Street North  
Twin Falls, ID 83301

Marypat Fields, Chair  
District V Board of Health  
Route 1, Box 2085  
Corral, ID 83322

Dear Mr. LeBlanc and Ms. Fields:

## Compliance

We have audited the compliance of South Central Public Health District (V) with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and *OMB Circular A-133* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements, and performing such other procedures that we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Mike Nugent, Manager  
Research & Legislation

Cathy Holland-Smith, Manager  
Budget & Policy Analysis

17

Don H. Berg, Manager  
Legislative Audits

Glenn Harris, Manager  
Information Technology

#### Internal Control Over Compliance

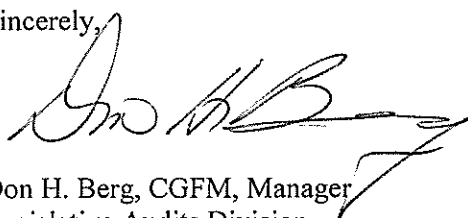
The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct, material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on the internal control over compliance in accordance with OMB *Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Idaho Legislature, the management of South Central Public Health District (V), the federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read 'Don H. Berg', with a stylized flourish extending from the end.

Don H. Berg, CGFM, Manager  
Legislative Audits Division

STATE OF IDAHO  
SOUTH CENTRAL PUBLIC DISTRICT HEALTH (V)  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal Grantor/ Program Title	Federal CFDA Number	Federal CFDA Program Title	Contract Number	Contract Period	Contract Amount	Federal Expenditures FY-2010
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
Pass Through Idaho Department of Health and Welfare						
WIC	10.557	Special Supplemental Nutrition Program for WIC	HC626400	10/1/08-9/30/09	\$1,107,666	\$266,461
WIC	10.557	Special Supplemental Nutrition Program for WIC	HC658800	10/1/09-9/30/10	1,265,295	937,798
<i>Total CFDA 10.557</i>						<u>\$1,204,259</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>						<u>\$1,204,259</u>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>						
Pass Through Idaho Housing and Finance Administration						
HOPWA	14.241	Housing Opportunities for Persons with AIDS		9/1/08-8/31/09	25,708	\$13,596
HOPWA	14.241	Housing Opportunities for Persons with AIDS		9/1/09-8/31/00	28,379	11,363
<i>Total CFDA 14.241</i>						<u>\$24,959</u>
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>						<u>\$24,959</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>						
Pass Through Idaho Department of Transportation						
Seatbelt Survey	20.600	State and Community Highway Safety	SSB1001	6/1/10-6/30/10	3,800	\$3,141
<i>Total CFDA 20.600</i>						<u>\$3,141</u>
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>						<u>\$3,141</u>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>						
Pass Through Idaho Department of Health and Welfare						
Public Drinking Water	66.600	Environ. Consolidated Grants Insular Areas Prog. Support	S318	7/1/09-6/30/10	72,832	\$72,832
<i>Total CFDA 66.600</i>						<u>\$72,832</u>
<b>TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY</b>						<u>\$72,832</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
Pass Through National Association of County and City Health Officials						
NACCHO MRC	93.008	Medical Reserve Corps Small Grant Program	MRC 10 1935	1/22/10-7/31/10	10,000	\$1,618
<i>Total CFDA 93.008</i>						<u>\$1,618</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						<u>\$1,618</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
Pass Through Idaho Department of Health and Welfare						
PHEP	93.069	Public Health Emergency Preparedness	HC648900	8/10/09-8/09/10	128,396	\$117,750
PHER Pan Flu	93.069	Public Health Emergency Preparedness	HC660700	9/15/09-7/30/10	841,258	841,258
PHER H1N1 Epi	93.069	Public Health Emergency Preparedness	HC664700	9/15/09-7/30/10	15,950	15,174
Public Health Preparedness	93.069	Public Health Emergency Preparedness	HC612900	8/31/08-8/30/09	297,542	25,950
Public Health Preparedness	93.069	Public Health Emergency Preparedness	HC651100	9/10/09-9/09/10	284,267	282,194
<i>Total CFDA 93.069</i>						<u>\$1,282,326</u>
TB Observed Therapy	93.116	Proj. Grants/Coop. Agree. Tuberculosis Control Programs	HC631900	1/1/09-12/31/09	4,441	\$3,204
TB Observed Therapy	93.116	Proj. Grants/Coop. Agree. Tuberculosis Control Programs	HC675300	1/1/10-12/31/10	9,164	5,298
<i>Total CFDA 93.116</i>						<u>\$8,502</u>
Family Planning	93.217	Family Planning Services	HC646200	7/1/09-6/30/10	112,341	\$112,341
<i>Total CFDA 93.217</i>						<u>\$112,341</u>

The accompanying notes are an integral part of these financial schedules.

STATE OF IDAHO  
SOUTH CENTRAL PUBLIC DISTRICT HEALTH (V)  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal Grantor/ Program Title	Federal CFDA Number	Federal CFDA Program Title	Contract Number	Contract Period	Contract Amount	Federal Expenditures FY-2010
Asthma	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC583900	9/1/07-8/31/09	\$28,000	\$3,500
Breast and Cervical Cancer	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC644800	6/30/09-6/29/10	72,286	71,396
Comprehensive Cancer	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC604300	6/30/08-6/29/10	34,742	17,313
No Sun for Baby	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC604300	7/1/09-6/29/10	7,000	5,297
NEDSS Capacity	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC638000	4/1/09-12/31/09	18,092	18,092
NEDSS Capacity	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC673700	1/1/10-12/31/10	17,128	9,038
Tobacco Prevention	93.283	Ctrs. for Disease Control/Prevent. Investigations & Tech. Assist.	HC635700	3/30/09-3/29/11	67,538	32,160
<b>Total CFDA 93.283</b>						<b>\$156,796</b>
Child Health and Safety	93.558	Temporary Assistance for Needy Families	5C099000	7/1/07-9/30/10	352,400	\$78,446
Adolescent Pregnancy Prevention	93.558	Temporary Assistance for Needy Families	HC666400	10/1/09-6/30/10	15,000	15,000
<b>Total CFDA 93.558</b>						<b>\$93,446</b>
Refugee Health Program	93.566	Refugee and Entrant Assistance State Administered Programs	HC679400	4/1/10-9/30/10	75,000	\$21,046
<b>Total CFDA 93.566</b>						<b>\$21,046</b>
Child Care	93.575	Child Care and Development Block Grant	WC056200	7/1/06-4/1/10	450,296	\$63,870
Child Care	93.575	Child Care and Development Block Grant		4/1/10-6/30/11	140,718	19,937
<b>Total CFDA 93.575</b>						<b>\$83,807</b>
Hospital Bioterrorism Preparedne	93.889	National Bioterrorism Hospital Preparedness Program	HC613500	8/9/08-8/8/09	309,788	\$10,716
Hospital Bioterrorism Preparedne	93.889	National Bioterrorism Hospital Preparedness Program	HC650100	8/9/09-6/30/10	269,473	269,473
ASPR Pandemic Influenza	93.889	National Bioterrorism Hospital Preparedness Program	HC661300	9/15/09-7/30/10	56,028	55,831
<b>Total CFDA 93.889</b>						<b>\$336,020</b>
Ryan White Care Services	93.917	HIV Care Formula Grants	HC646600	7/1/09-3/31/10	27,020	\$19,069
Ryan White Care Services	93.917	HIV Care Formula Grants	HC680200	4/1/10-7/15/10	17,125	2,782
<b>Total CFDA 93.917</b>						<b>\$21,851</b>
HIV Prevention	93.940	HIV Prevention Activities Health Department Based	HC634000	1/1/9-12/31/09	30,303	\$13,901
HIV Prevention	93.940	HIV Prevention Activities Health Department Based	HC676800	1/1/10-12/31/10	40,953	18,402
HIV Prevention (HC/PI)	93.940	HIV Prevention Activities Health Department Based	HC536800	3/15/06-12/31/09	41,500	3,500
<b>Total CFDA 93.940</b>						<b>\$35,803</b>
HIV Surveillance	93.944	HIV/Acq. Immunodeficiency Virus Syndrome (AIDS) Surveill.	HC631100	1/1/09-12/31/09	3,500	\$1,995
HIV Surveillance	93.944	HIV/Acq. Immunodeficiency Virus Syndrome (AIDS) Surveill.	HC674400	1/1/10-12/31/10	3,500	2,728
<b>Total CFDA 93.944</b>						<b>\$4,724</b>
Sexually Transmitted Disease	93.977	Prevent. Health Svcs. Sexually Transmitted Dis. Control Grants	HC634000	1/1/09-12/31/09	19,953	\$10,852
Sexually Transmitted Disease	93.977	Prevent. Health Svcs. Sexually Transmitted Dis. Control Grants	HC676800	1/1/10-12/31/10	19,879	9,440
<b>Total CFDA 93.977</b>						<b>20,292</b>
Diabetes Control	93.988	Coop. Agree. State-Based Diabetes Control/Eval. Surveill. Sys.	HC636900	4/1/09-3/29/10	18,650	\$13,148
Diabetes Control	93.988	Coop. Agree. State-Based Diabetes Control/Eval. Surveill. Sys.	HC679900	4/1/10-3/31/11	20,750	10,073
<b>Total CFDA 93.988</b>						<b>\$23,221</b>
Injury Prevention	93.991	Preventive Health and Health Services Block Grant	HC622900	11/1/08-9/30/09	45,000	\$14,596
Injury Prevention	93.991	Preventive Health and Health Services Block Grant	HC658100	11/1/09-9/30/10	39,000	31,612
<b>Total CFDA 93.991</b>						<b>\$46,208</b>

The accompanying notes are an integral part of these financial schedules.



STATE OF IDAHO  
SOUTH CENTRAL PUBLIC DISTRICT HEALTH (V)  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Federal Grantor/ Program Title	Federal CFDA Number	Federal CFDA Program Title	Contract Number	Contract Period	Contract Amount	Federal Expenditures FY-2010
Epidemiology Notification	93.994	Maternal and Child Health Services Block Grant to the States	HC623800	10/1/08-9/30/09	\$29,520	\$13,045
Epidemiology Notification	93.994	Maternal and Child Health Services Block Grant to the States	HC659900	10/1/09-9/30/10	28,109	18,954
Family Planning	93.994	Maternal and Child Health Services Block Grant to the States	HC628100	10/1/08-9/30/09	65,319	16,330
Family Planning	93.994	Maternal and Child Health Services Block Grant to the States	HC665700	10/1/09-9/30/10	67,340	50,505
Oral Health	93.994	Maternal and Child Health Services Block Grant to the States	HC642800	7/1/09-6/30/10	30,771	30,772
<i>Total CFDA 93.994</i>						<u>\$129,606</u>
<b>Total Pass Through Idaho Department of Health and Welfare</b>						<u>\$2,375,988</u>
<b>Pass Through Idaho North Central District Health Department</b>						
Refugee Health Program	93.566	Refugee and Entrant Assistance State Administered Programs	None	10/1/08-9/30/09	67,925	\$26,763
Refugee Health Program	93.566	Refugee and Entrant Assistance State Administered Programs	None	10/1/09-3/12/10	22,072	37,821
<i>Total CFDA 93.566</i>						<u>\$64,584</u>
Refugee Health Program	93.576	Refugee and Entrant Assistance Discretionary Grants	None	10/1/09-9/30/10	10,000	\$10,000
<i>Total CFDA 93.576</i>						<u>\$10,000</u>
<b>Total Pass Through Idaho North Central District Health Department</b>						<u>\$74,584</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						<u>\$2,450,572</u>
<b>TOTAL CASH EXPENDITURES OF FEDERAL AWARDS</b>						<u>\$3,757,382</u>
<b>NON-CASH EXPENDITURES OF FEDERAL AWARDS</b>						
WIC Food Vouchers	10.557	Special Supplemental Nutrition Program for WIC				\$4,256,244
Contraceptive Assistance	93.217	Family Planning Services				71,835
<b>TOTAL NON-CASH EXPENDITURES OF FEDERAL AWARDS</b>						<u>\$4,328,079</u>
<b>GRAND TOTAL EXPENDITURES OF FEDERAL AWARDS</b>						<u>\$8,085,461</u>

The accompanying notes are an integral part of these financial schedules.

# NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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## **NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grants activity of the District and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*.

The CFDA refers to *the Catalog of Federal Domestic Assistance*, which is a government-wide list of individual federal programs. Federal award programs for which we could not determine a number are identified with the first two digits that identify the federal grantor department, followed by ".999."

Immaterial differences in the schedule are due to rounding.

## **NOTE 2 – WIC FOOD VOUCHERS**

The District determines eligibility for the Women, Infants, and Children (WIC) program. Within the WIC program, the District distributes food checks to clients and controls unissued food checks. The Idaho Department of Health and Welfare issues and redeems food checks, controls the food checks issued, and reviews program compliance. The value of the food checks redeemed through the Idaho Department of Health and Welfare during fiscal year 2010 was \$4,256,244.

## **NOTE 3 – VALUE OF CONTRACEPTIVES**

The District provides contraceptives on a sliding fee scale to eligible clients of the federally funded Reproductive Health Clinic. The Idaho Department of Health and Welfare purchases the contraceptives and supplies them to the District as needed. The value of the contraceptives provided during fiscal year 2010 was \$71,835.

# SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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## SECTION I. SUMMARY OF AUDITOR'S RESULTS

### Basic Financial Statements

1. The independent auditor's report on the basic financial statements expressed an unqualified opinion.
2. The audit of the basic financial statements did not disclose a significant deficiency that was considered a material weakness.
3. The audit did not disclose any instances of noncompliance considered material to the basic financial statements.

### Federal Awards

4. The audit did not disclose any significant deficiencies in internal control over major programs.
5. The independent auditor's report on compliance for major programs expressed an unqualified opinion for all major programs.
6. The audit did not disclose any findings that must be reported in accordance with criteria in Section 510a of OMB *Circular A-133*.
7. Major programs are listed below:

<u>Program Title</u>	<u>CFDA Number</u>
WIC	10.557
Public Health Emergency Preparedness	93.069
Hospital Preparedness	93.889

8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. South Central Public Health District (V) did qualify as a low-risk auditee as defined by OMB *Circular A-133*.

## SECTION II. FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS

NONE

## SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

## AGENCY RESPONSE

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**South Central  
Public Health District**  
Prevent. Promote. Protect.

**District Office**

1020 Washington St. N  
Twin Falls, ID  
83301-3156  
(208)734-5900  
Fax (208)734-9502

**Satellite Offices**

**Bellevue**

117 East Ash St.  
Bellevue, ID  
83113  
(208)788-4335  
Fax (208)788-0088

**Burley**

2311 Parke Ave.  
Unit 4, Ste. 4  
Burley, ID  
83318-2170  
(208)678-8221  
Fax (208)678-7465

**Gooding**

255 North Canyon Dr.  
Gooding, ID  
83330  
(208)934-4477  
Fax (208)934-8558

**Jerome**

951 East Avenue H  
Jerome, ID  
83338-2805  
(208)324-8838  
Fax (208)324-9554

**Rupert**

1218 9th St., Ste. 15  
Rupert, ID  
83350-2202  
(208)436-7185  
Fax (208)436-9066

April 1, 2011

Mr. Eugene Sparks, CPA, CGFM  
Managing Auditor  
Legislative Services Office  
P.O. Box 83720  
Boise, ID 83720-0054

Dear Mr. Sparks:

I have reviewed the recently completed draft audit report of South Central Public Health District for Fiscal Year 2010. I and my fiscal staff agree with the draft report, and we are pleased with the results.

I would like to thank you and your staff on the recently completed audit. The audit team members--Kathleen Watkins, CPA, Liz Yturalde, CPA, CGFM, and Eric Bjork--conducted themselves professionally in all aspects of the audit. I appreciate their suggestions and input to improve our fiscal operations. Please extend my thanks to them.

Sincerely,

Rene R. LeBlanc, MS, RS  
District Director

RRL/bms

# APPENDIX

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## HISTORY

The following is a chronological history of the basic health care services that the State has provided to the public.

- 1907 – The State Board of Health and counties that had local boards of health were statutorily authorized joint responsibility for public health.
- 1947 – A public health district law was enacted that permitted two or more counties to establish a public health district. Participation in the forming of the health districts was voluntary.
- 1970 – The legislature established a law that created seven mandatory public health districts. In South Central Public Health District (V), the counties designated were Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, and Twin Falls. The director of the State Department of Health and Welfare was designated fiscal officer for the various districts.
- 1976 – Legislative intent was expressed that the health districts are not State agencies, and that they be recognized as authorized governmental entities.
- 1986 – Idaho Code was amended to allow district health departments to promulgate rules and regulations without the State Board of Health's approval.
- 1993 – The legislature clarified the need for district health departments to use the Idaho Administrative Procedures Act for fees and rules.
- 2008 – Legislation changed Idaho Code, Section 39-414 language: "For purposes of this chapter, a PH district is not a subdivision of the state and is considered an independent body corporate and politic, in terms of negotiating long term debt and financing." (This will move the local PH district outside the Frasier legal case of debt financing.)

## PURPOSE

The purpose of the District is to provide and support public health education and administration, family and child health, environmental health, and community health surveillance; to preserve and protect public health; to prevent disease, disability, and premature death; to promote healthy lifestyles; and to protect and promote the health and quality of our environment.

## STATUTORY AUTHORITY

The statutory authority for the District is found in Idaho Code, Title 39, Chapter 4.

## ORGANIZATION

The District is supervised by a nine-member board appointed by the county commissioners of the counties served, with one member from each county represented plus a ninth member who is an at-large medical consultant. Board members serve staggered five-year terms, and are reimbursed \$75 per working day plus all necessary travel expenses. The Board appoints a director to administer and manage day-to-day activities of the District. Three physicians provide medical consulting services to the District.

The District is organized into four major sections:

1. Administration and General Support – Provides support to the other sections with administration, budget, accounting, personnel, payroll, information systems, facilities, and other support services.
2. Family and Children's Health– Provides services such as immunizations, communicable disease control, reproductive health, school health, and nutrition.
3. Environmental Health – Provides services such as licensing, inspection, investigation, and monitoring services for food establishments, child care centers, public swimming pools, water systems, sewage systems, and solid waste sites.

4. Public Health Promotion and Preparedness – Promotes and supports community health assessment, education, and coalition activities; provides other health promotion/screening and emergency preparedness/response services.

The District has a central office in Twin Falls and six satellite offices in Bellevue, Burley, Gooding, Jerome, Rupert, and Shoshone. An organizational chart is included.

#### **FUNDING**

The financing for the District comes from county contributions; State General Fund appropriation; other special appropriations; federal, State, and private contracts; and fees and donations from recipients of services, equipment, and supplies. The amount included in the District's General Fund appropriation request is determined by Idaho Code, Section 39-425. The Idaho Legislature sets the District's annual General Fund appropriation, which can be more or less than the amount requested.

